

FISCAL NOTE

Bill #: HB0665

Title: Provide for regulation of mercury-added products

Primary Sponsor: Henry, T.

Status: As Introduced

Sponsor signature

Date

David Ewer, Budget Director

Date

Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	\$3,744	\$0
State Special Revenue	\$360	
Federal Special Revenue	\$3,096	
Revenue:		
General Fund	\$0	\$0
Net Impact on General Fund Balance:	(\$3,744)	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Public Health and Human Services

1. The Department of Public Health and Human Services (DPHHS) assumes administrative rules would need to be written for standards for affixing labels to products or exemption applications. Administrative rules will be written in FY 2006.
2. The DPHHS will contract with the Department of Justice to develop and write these rules. The Department of Justice charges \$75 per hour for legal services.
3. It is estimated that it will take 80 hours to develop and write the administrative rules associated with this legislation for a total cost of \$6,000 (\$75 x 80 hours).
4. Proposed and adopted rules will be published by the Secretary of State in the Administrative Rules of Montana (ARM). The Secretary of State charges \$40 per page for printing in ARM.
5. It is estimated that rule changes associated with this legislation will be approximately 30 pages. Total estimated cost for printing of rules related to this legislation is \$1,200 (\$40 x 30 pages).
6. Director's Office, Legal Services Bureau is funded with 52 percent general fund, 5 percent state special revenue and 43 percent federal funds.

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(continued)

7. Cost estimates related to the disposition of mercury added products cannot be determined due to insufficient knowledge of quantity products needing disposal. Some current disposal costs are as follows:
 - a. Mercury liquids, amalgam, debris, devices, thermometers in Department of Transportation approved five-gallon pails at \$500 each.
 - b. Florescent light bulbs containing mercury at \$0.25 per linear foot.

Department of Environmental Quality

8. The "Department" is defined as the Department of Public Health and Human Services. Therefore, there are no fiscal impacts to the Department of Environmental Quality.

FISCAL IMPACT:

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$7,200	
<u>Funding of Expenditures:</u>		
General Fund (01)	\$3,744	
State Special Revenue (02)	\$360	
Federal Special Revenue (03)	<u>\$3,096</u>	
TOTAL	\$7,200	
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$3,744)	
State Special Revenue (02)	(\$360)	
Federal Special Revenue (03)	(\$3,096)	

TECHNICAL NOTES:

Department of Public Health and Human Services

1. Mercury is regulated as a characteristic hazardous waste under Resource Conservation and Recovery Act (RCRA). Section 75-10-419, MCA designated Department of Environmental Quality as the "official agency for the state for all purposes of the federal Resource Conservation and Recovery Act". Enforcement of a disposal statute by the Department of Public Health and Human Services may be confusing for the regulated community.
2. Manufacturers and retailers are currently required to provide information about proper disposal of mercury-containing wastes. No specific directions are given, therefore there is a probability they will simply advise consumers to dispose "in accordance with applicable federal, state, and local laws".

Department of Environmental Quality

3. Section 7(3)(a) indicates that collection programs conducted in accordance with solid or hazardous waste rules "adopted by the department" must comply with section 7(3). In this bill, the "department" is defined as the Department of Public Health and Human Services. However, it is the Department of Environmental Quality that adopts solid and hazardous waste rules. The phrase quoted above should therefore be amended to "adopted by the department of environmental quality."